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ABSTRACT

In Australia the Federal Government plays a dominant role in higher education funding. Changes to the role and structure of the higher education system in 1988 aligned the universities more closely with national economic goals and sent the message to institutions that they were expected to adopt a more managerial mode of operation in order to contribute to achievement of the goals. In 1991, a system-wide quality assurance program was developed in which a national committee makes judgments about the outcomes and quality assurance processes of universities and places them in "quality" groupings which attract various levels of "reward" funding. Analysis of the impact of this program on institutional governance and on institutional roles and relationships with government reveals that several factors have strengthened central managerial power at the expense of disciplinary and collegial power. These factors include the wide scope of the evaluation program, the strong institutional-level focus, the limited timescale of the process, and the importance of performance indicators and of external stakeholder judgments. Power has also shifted from institutions to the Federal government, as institutions are pressured to conform to the government's vision of higher education's role in order to receive good assessments and subsequent funding rewards. (JDD)

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The impact of the Australian Government's quality assurance program on institutional roles and management processes

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Abstract

Over the last three years, the Australian Government has been pursuing a major initiative in quality assurance and performance review within higher education. This policy, while ostensibly concerned with quality, is also having much wider impacts, both intended and unintended, on institutional governance and the relationship between higher education and government. This paper examines the place of the policy on quality within the Government's broader agenda for higher education and its impact on institutional autonomy and decision making processes. In addition, the wider impacts on institutional roles and relationships with government will be explored.

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Jean Endo
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Introduction

In Australia, the Federal Government plays a dominant role in higher education. The Government sees higher education as having a central role in making Australian industry internationally competitive through the development of a labour force with "conceptual, creative and technical skills" and "the ability to innovate and be entrepreneurial" (Dawkins, 1988: 6). In pursuit of its objective of harnessing universities to its economic program, the Government is increasingly using its control of the purse-strings to shape the higher education system. The level of direct government involvement in higher education contrasts sharply with the US situation where market forces play a much greater role in shaping the higher education system and responsibility for quality assessment and assurance is shared among many agencies both inside and outside the system.

The Australian Government has been steadily accumulating power over higher education institutions, which in most cases were established by legislation as State institutions, since the 1950s when significant Federal funding was first made available to universities. By the mid 1970s, the Federal Government had assumed near total responsibility for funding and established a national coordinating agency to advise on the development of the higher education system. Over the next decade, this agency, the Commonwealth Tertiary Education Commission, attempted to serve both Government and higher education by operating as a "buffer" between institutions and government. Perhaps inevitably, the Commission gradually lost favour with both parties as each came to believe it was largely a creature of the other.

In 1988, the Federal Government initiated sweeping changes to the role and structure of the higher education system. The twenty-five year old binary system of universities

and colleges of advanced education was replaced by a "unified national system" comprising some 35 consolidated institutions, mostly formed by joining the colleges of advanced education to existing universities or to each other to form new universities. Within the new unified system, institutions operate on the basis of specific missions agreed to, and funded by, the Federal Government. The major objective of Government's reform agenda was the closer alignment of the universities to national economic goals. Stronger institutional management processes were identified as the key to achieving the Government's objectives, and strategic planning, performance monitoring and review were nominated as critical components of the Government's relationship with institutions. The clear message to institutions was that they were expected to adopt a much more managerial mode of operation in order to improve their performance in contributing to the achievement of the Government's goals (Dawkins, 1988: 104).

In 1991, the Minister for Education (Baldwin, 1991) announced a major policy initiative on institutional performance review and quality assurance. This initiative has led to a system-wide quality assurance program in which a national committee makes judgements about the outcomes and quality assurance processes of the universities and places them in "quality" groupings which attract various levels of "reward" funding. Through the way this program operates it is also having a major impact on the role and governance of institutions. While, the ostensible thrust of this policy relates to assuring and improving the quality of Australian universities, it has continued the Government's thrust towards alignment to national economic goals and stronger institutional management.

The national quality assurance program - Principles and procedures

Australian policy makers were quite late in developing an active interest in specific policies relating to the assessment and improvement of quality. After placing quality at the top of the Government's policy agenda for higher education in 1991, the Federal Minister proceeded to appoint a national Committee for Quality Assurance in Higher Education (CQAHE) whose principal task is to "conduct quality reviews of higher education institutions" with the objective of maintaining and enhancing the quality of Australian higher education through "recognising and rewarding effective quality assurance policies and practices and excellent outcomes in universities". (CQAHE, 1993).

In its first year of operation the national quality committee set out to review institutional quality assurance processes and the excellence of institutional outcomes in the areas of teaching, research and service. Universities were asked to submit a twenty page portfolio of claims with supporting evidence in a series of appendices. Each institution was then subjected to a one-day visit by a small audit panel which drafted a report which has been used to determine each institution's share of the "reward" funding of $76m. In the event, while every institution received some funding, 43% of the funding went to the top six of the 36 institutions.

The excellence of outcomes was to be assessed in several ways: against institutional missions; against the goals of the Australian higher education system and the attributes of graduates as formulated by the Government's major advisory body; and in terms of the national and international impact of research (CQAHE, 1993).

With the introduction of this national program, Australian universities have been vigorously pursuing a more systematic, comprehensive and explicit approach to monitoring and demonstrating quality. At least in the short term, universities have been concentrating on the technical side of quality management, and the broader political and management issues have received little attention. In particular, there has not been enough consideration of how the national policy context is shaping institutional thinking about not only the nature of quality and its management, but also institutional missions and governance.

Impacts on institutional governance

Formal institutional power in Australian universities is shared among three parties: the governing body, usually known as the Council or Senate; the senior academic decision making body, usually known as the Academic Board or Senate; and the Chief Executive Officer who carries the title of Vice-Chancellor. The governing body has about 20 members with a mix of political appointees from parliament, business and the community, and representatives elected by students, faculty and graduates. By convention academic decisions are largely delegated to the Academic Board, which is composed mainly of faculty members from the various disciplines. The Vice-Chancellor has responsibility for financial resources and personnel, and is the senior academic leader of the institution. Most Australian universities are organised into discipline groups designated as Faculties, and much decision making on academic, financial and staffing matters takes place within the faculties under the leadership of the Faculty Deans.

It has already been noted that the Australian Government exercises more direct control over higher education than in the United States, and it is probably also true that academic staff as a collegial body have exercised more control in Australian universities than in US institutions. The Australian Vice-Chancellor thus has a role more circumscribed from "above" by the Government and "below" by the academic community, than the US university president. Indeed, Clark (1984) argues that in general, power in American institutions is more concentrated at the institutional-management level, and less in the government and faculty, than in other higher education systems. Since 1988, the Australian Government has been actively seeking to increase not only its own power but also that of the senior institutional managers. Over the last five years the more managerial approach in institutions has increasingly come into conflict with deeply-held beliefs within the academic community about the locus of academic power and the importance of university autonomy, academic freedom and collegial decision-making. Perhaps more directly, institutional managers are engaged in a power struggle with the powerful department/faculty or professorial "barons" within the institutions.

Several elements of the quality assurance program are fostering the centralisation of power within institutions. In keeping with the Government's broader goals, the quality review process has been designed to increase managerial power at the expense of collegial processes and the intellectual authority of disciplines. Firstly, the specifications for the institutional quality portfolios and the limited time allowed for their preparation encourage a managerial rather than collegial approach to the process. In addition, teaching and research are examined at the institutional rather than the discipline level; the traditional dominance of peer judgement processes is being undermined by the emphasis on performance indicators and external stakeholder

judgements; and the national Committee and its visiting audit panels are dominated by senior institutional managers and external business mangers.

The guidelines for the first round of the quality assurance program were received by institutions in mid July 1993 and the Institutional Portfolios were required by 20 September 1993. The Program in its first year covered the full breadth of university role by reviewing teaching, research and community service. The Portfolio was expected to contain about 20 pages "reviewing quality assurance processes and the excellence of outcomes and containing an outline on the institution's context, including its mission, objectives, governance, organisational and management structures" (CQAHE, 1993). Several specific questions were also posed by the Committee:

> What quality assurance policies and practices does the institution have in place or is developing?
>
> How effective are these?
>
> How does the institution judge the quality of its outcomes?
>
> In what areas and in what ways are the outcomes excellent?
>
> What are the institution's priorities for improvement? (CQAHE, 1993).

The Portfolio submission was followed by a one-day visit in which an Audit Panel tested the accuracy of the Portfolio and obtained further information to assist the Committee's judgements.

The scope of the evaluation, the strong institutional-level focus and the timescale of the process, have all meant that institutions have had to deal with the exercise in a unified and global fashion, concentrating on generic, institution-wide processes and de-emphasising diversity and disciplinary differences. In the quest to present a "systematic and comprehensive" picture of quality processes and outcomes, institutions

have not been able to report on the rich diversity of procedures tailored for the pure disciplinary fields and for the professions, for undergraduate students and doctoral students, and for basic research areas and applied problem areas. The limited timescale for producing the Portfolios has also meant that most have been prepared by a small number of senior administrators with little reference to the time-consuming consultative and collegial processes usually involved with academic matters. The processes seem rather removed from the variety, ambiguity and fragmentation of what Burton Clark (1988) calls the "factory floor" of higher education.

Thus, unlike the British quality assurance and assessment programs on which to some extent the Australian system is modelled, the Australian process operates at institutional rather than discipline level. While quality assurance processes are expected to operate at all levels from institutional to individual course and subject, there are no assessments of quality within disciplines or comparisons of performance at discipline level across institutions. Institutions can nominate areas of strength, which may in fact be discipline areas, but there is no provision for systematic assessment of their performance relative to their peers in other institutions.

Through these mechanisms, the national quality assurance program is strengthening central managerial power at the expense of disciplinary power. Becher (1994) has noted the general tendency of quality assessment procedures to pay little attention to the significant differences between the academic disciplines, and he raises the question as to why academic managers persist in using measures of quality which do not recognise the manifest differences between the disciplines. Becher demonstrates that the standard criteria and performance indicators used at both institutional and system level to monitor quality do not adequately reflect the wide variations in disciplinary processes and outcomes. Among the reasons he suggests are: suppression of

disciplinary affiliations by academic administrators in order to meet accountability requirements; inertial resistance to allowing exceptions to rules; the natural tendency to rationalise messy phenomena into neat, consistent patterns; and the bureaucratic ideal of fair, even-handed treatment - dealing with all according to the same rules and procedures.

Another consideration is that most quality management systems in universities are derived from business models such as Total Quality Management. These models do not readily accommodate the widely dispersed power, loosely defined roles and structures, and fundamental conflict about organisational goals and processes, which are characteristic of universities. Most current prescriptions for quality management systems in higher education tend to be rather mechanistic in nature because of their false assumptions about the degree of clarity and consensus pertaining to goals, and their failure to accommodate the dual authority system in universities - managerial and collegial (Lindsay, 1994). Whatever the reason or reasons, most higher education quality assurance systems, including the current national approach in Australia, have features which foster central management power at the expense of disciplinary and collegial power.

One clear loser in the quality assurance process is the traditional basis of academic power - peer review. As well as debating the role and relative importance of performance indicators as against peer evaluation processes, institutions are also having to seriously consider the role of stakeholder judgements. Although the academic community has most confidence in peer judgement processes, the new quality assurance processes clearly require that external stakeholder judgements be brought into institutional decision making processes .

This trend, as well as the growth of management power, is undermining collegial authority. Academic decisions in universities have traditionally been made through peer processes and collegial bodies in recognition that the relevant authority in academic decisions is intellectual rather than managerial. Peer review has of course been under attack for some time, for example in decision making on research grants, where judgements about national needs and priorities often clash with peer judgements based solely on excellence (Lindsay and Neumann, 1988: 58). The academic dominance of decision making about quality, its goals and how it should be pursued is now being directly challenged by the quality movement's emphasis on customers and stakeholders. The benefits and drawbacks of the shift of power involved in including stakeholders, especially the external ones, in the institutional decision making process itself require careful analysis, although this topic is outside the scope of this paper. Extensive powers and responsibilities have been vested in universities in the belief that in the final analysis academics are best placed to make decisions about knowledge. External stakeholders can bring narrow sectional interests and short-term popular fads to university decision making as well as relevant and legitimate perspectives and judgements. The task is to balance accountability to stakeholders against academic responsibility for decisions on teaching, research and scholarship.

If the role for external stakeholders is restricted to an advisory role, as in many course committees, the impact on academic power is limited. If the role involves participation in, or even domination of, decision making, as in university governing bodies, the impact is much more substantial. So far at least, the Australian quality assurance process gives little direct emphasis to stakeholders. The national Committee contains university administrators and quality experts from the business world and is not structured to have a stakeholder basis. The Committee's approach firmly places responsibility for quality assurance processes with the institutions, leaving them to use

stakeholder processes and evidence as they see fit. There is certainly nothing in the Committee's procedures which undermines institutional power by involving directly any external stakeholder groups.

Another impact of the national quality assurance program is on other areas of institutional decision making. Within institutions, the quality assurance process does not operate in isolation from the broader policy and management functions and in practice, quality reviews have multiple objectives, some of which are quite unrelated to the basic purpose of improving educational processes and outcomes. Hence management objectives not directly related to considerations of quality are being tacked on to quality assurance activities. For example, some institutions are using the quality review process as a vehicle for re-assessing and re-defining their mission. Some are moving to concentrate on areas of strengths, while others are seeking to strengthening their weak areas. In some instances, the process is being used to ensure conformity, in others to induce change. As with any institutional evaluation process, the quality management systems being formulated within Australian universities are having an impact on the distribution of institutional power through either reinforcing or altering power relationships. Hence institutional quality assurance and assessment processes must be viewed within the broader political context within the institution. Within this context, the national program provides an opportunity and rationale for institutional mangers to pursue a range of initiatives that will increase managerial power.

Impacts on institutional roles and relationships with government

The national quality assurance program provides a mechanism for the Federal Government to influence directly the educational goals, processes and outcomes of

Australian universities. As the institutions have mostly been established by the State Governments, the Federal Government has historically had to rely on its financial power to exercise control over the universities. Consequently, university-government relationships in Australia have always been complex and unstable. A major step towards more direct control came with the abolition of the "buffer" coordinating body, the Commonwealth Tertiary Education Commission in 1987, when the Federal Government introduced a "profiles" mechanism as part of the administrative arrangements for the Unified National System. Under the Profiles system, institutions agree to, or in practice are allocated, a pattern of student enrolments by field and level of study. Growth has been limited to priority fields nominated and funded by the Government or approved fee-paying graduate and overseas student programs. As Australian universities are prevented by legislation from charging tuition fees for undergraduate programs, the Government can exercise tight control over the growth or contraction of individual universities. Nevertheless, while tying universities to specific uses of the funding received, the allocation of funding on a per student basis against an approved enrolment profile, has not provided the Government with direct control over the content and processes of university courses. The quality assurance program provides an avenue for such direct control.

While the CQAHE guidelines specify that institutional performance will be assessed against institutional mission statements; the goals of the Australian higher education system and the attributes of graduates as defined by the Government's major advisory body, also play a central part in the assessment process (CQAHE, 1993). While in large part bland and general as such statements tend to be, the official statement of purposes and goals, which has not been debated or agreed within the system, does have a degree of instrumentalism not found in earlier statements from national agencies

or committees of inquiry. The direct contribution of education and research to national needs and advancement is paramount in all but 2 of the 14 goals.

As significant funding rewards are associated with a good assessment by the national Committee, institutions are being subjected to rather direct pressure to conform to the Government's vision of higher education's role. The overall report of the CQAHE specifically maintains that the reviews did not "question the substance or direction of a university's statement of mission or goals" (CQAHE, 1994: 11). However, while the reports on individual institutions were not released generally, a perusal of a few of the reports that have been circulated so far, and through discussions with senior managers in six or so institutions, a rather different picture emerges. The report on one institution, for example, concluded that the institution's processes for managing research appeared to be based in pre-1988 practices which were now difficult to sustain "because of the national emphasis on selectivity and concentration". Although a comprehensive analysis of the institutional reports is not available, at least some of the evidence suggests that a good result in the assessment process requires a close alignment with the Government's economic and social goals, and an adherence to the prevailing views about good institutional management processes.

Another factor affecting the balance of power in this process, is the absence of specific information about how the Committee actually operates and how it weights all the relevant considerations in making its judgements. While the CQAHE has placed emphasis on the institutional self-evaluation component of the quality assurance program, it has not revealed how it makes judgements about the self-evaluations submitted. By not revealing the specific criteria or weightings it uses in evaluating the institutional quality portfolios and as there is no requirement that the Committee explain or justify its judgements to institutions, the validity and Committee's procedures and

judgements cannot readily be subjected to scrutiny. Significantly, the procedures and performance of the Committee itself are not scheduled for review until 1997 (CQAHE, 1994). In affecting the reputations and funding of institutions, the Committee will thus have considerable power without any real checks on its operation. Hence, notwithstanding some of the rhetoric about the role of the Committee, the national quality assurance program does involve a significant increase in central power over institutions.

Any evaluation involves the exercise of power, and where there are covert purposes and procedures, the political processes tend to subvert professional goals and behaviour, and the trust between the parties is eroded. The academic community has always been suspicious of the motives and expertise of those who wish to engage in an evaluation of higher education or its components. One outcome of the Federal Government's restructuring of Australian higher education in 1988 was a significant decrease in the trust academics place in the Government, their institutional administrations and their colleagues. The hidden criteria and judgement processes in this latest Government initiative have further undermined the level of trust. No specific government policy exists in isolation from its broader policy objectives for the particular sector, and there is a widespread belief in the academic community that the Government objectives for the quality assurance program include:

a) the closer alignment of universities to the Government's current conception of higher education's purposes and outcomes;

b) the re-shaping of higher education into an elite system of two or three "world class" institutions;

c) the re-establishment of a binary system of some seven to twenty first-rank institutions in terms of funding share, reputation, and research role;

d) providing a rationale for further reductions in unit costs, by constructing a procedure in which most institutions are found to have scope for improving quality and hence producing greater efficiencies;

e) to increase competition among institutions by encouraging a "customer" and market orientation and through the "healthy" contest for reward money (Lindsay, 1994).

Some of these ascribed objectives may not be actual Government objectives but their wide currency attests to the suspicion academics evince to government policies.

Conclusion

The wide scope of the evaluation, the strong institutional-level focus and the limited timescale of the process, have all meant that institutions have had to deal with the exercise in a unified and global fashion that strengthens central managerial power at the expense of disciplinary and collegial power. The importance of performance indicators and of external stakeholder judgements are also acting to reduce disciplinary and collegial power. Another factor increasing managerial power has been the use of the national program by institutional managers to pursue other management objectives not directly related to considerations of quality.

Notwithstanding the centralisation of power within institutions associated with the quality assurance program, there is also a shift of power from institutions to the Federal Government. The Program has continued the Government's thrust towards aligning universities more closely to national economic goals and to imposing its view of good institutional management procedures. The Program provides a mechanism for the

Federal Government to directly influence the educational goals, processes and outcomes of Australian universities. As significant funding rewards are associated with a good assessment by the national Committee, institutions are being subjected to pressure to conform to the Government's vision of higher education's role and appropriate practices. This shift of power has been aided by the Committee's licence to affect the reputations and funding of institutions without having to provide information on which institutions can judge or argue the validity of the Committee's processes.

Overall, the Australian quality assurance program, while ostensibly concerned with quality, is also directed towards increasing the power of institutional managers at the expense of disciplinary and collegial power, and to increasing central government power over institutions. While the Australian and US settings are rather different, this analysis has some general relevance as a national case study of the interaction between specific policies and institutional governance.

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